

STATEMENT OF PURPOSE

RS29041C1 / H0467

The Idaho Water Resource Board (“IWRB”) is proposing this legislation in response to a Legislative Services Office (“LSO”) “update note” from its “2017, 2018, 2019 Management Review” of the IWRB and the Idaho Department of Water Resources. In its update note, LSO identified a discrepancy between language in Idaho Code § 42-1756(5), which governs the security interest requirements of loans made by the IWRB from its Revolving Development Account, and the IWRB’s actual practices of securing loans. While the existing § 42-1756(5) language applies to securing loans to non-governmental borrowers, such as canal companies, it does not match the processes that govern incurring and securing debt by public entities such as irrigation districts, ground water districts, flood control districts, or drainage districts. This proposed legislation specifies that the IWRB may enter into loan security arrangements appropriate to the lender and all borrowers that come to the IWRB for a loan.

FISCAL NOTE

This legislation will have no impact on the state’s General Fund or any dedicated fund or federal fund because it merely clarifies existing statutes governing the IWRB’s current lending practices by authorizing it to enter into security arrangements that are appropriate to the lender and the borrower on loans made from the IWRB’s Revolving Development Account.

Contact:

Brian Patton
Idaho Department of Water Resources
(208) 287-4837

DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).